VZCZCXRO5152 RR RUEHKN RUEHPB DE RUEHSV #0121/01 0880042 ZNY CCCCC ZZH R 290042Z MAR 06 FM AMEMBASSY SUVA TO RUEHC/SECSTATE WASHDC 2991 INFO RUEHBY/AMEMBASSY CANBERRA 1174 RUEHKN/AMEMBASSY KOLONIA 0126 RUEHPB/AMEMBASSY PORT MORESBY 0794 RUEHWL/AMEMBASSY WELLINGTON 0970 RHHJJAA/JICPAC HONOLULU HI RHHMUNA/HQ USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 SUVA 000121

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E.O. 12958: DECL: 03/29/2016

TAGS: <u>PREL EAID ETRD ECIN CH FJ PP TW</u>
SUBJECT: PRC PREMIER'S EARLY APRIL VISIT TO FIJI MAKING A

BIG SPLASH IN THE PACIFIC

REF: A. SUVA 0055

¶B. BEIJING 5362

¶C. PORT MORESBY 0073

Classified By: AMBASSADOR LARRY M. DINGER. SECTIONS 1.4 (B) AND (D).

11. (SBU) Summary: Heads of government from eight Pacific Island countries will be attending the PRC-sponsored China-Pacific Island economic cooperation conference in Nadi, Fiji April 5-6. Each leader will hold a bilateral with Premier Wen Jiabao April 5. All eight countries will reportedly sign a PRC-drafted "Guiding Framework" for regional cooperation. Australia and New Zealand will not sign the "Guiding Framework" but will send Deputy Minister-level representatives to the conference. the Pacific Island states that recognize Taiwan will attend. Ambassador Dinger will attend the conference's opening as an observer and invited quest. End Summary

Heads of Government to Nadi

12. (SBU) According to contacts at the Pacific Island Forum (PIF), the PRC has convinced government leaders of all of the Pacific Island states with which it has diplomatic relations to attend the the conference (reftels), with the exception of Australia and New Zealand. Heads of government attending include Prime Minister Qarase of Fiji, PM Somare of Papua New Guinea, Acting PM Fred Sevile of Tonga, and the leaders of Vanuatu, Samoa, Cook Islands, Federated States of Micronesia, and Niue. Each of these leaders will hold bilateral sessions with Premier Wen on April 5. Fiji Foreign Ministry officials have told us that President Iloilo is also scheduled to make the trip to Nadi to meet with Wen.

"Guiding Framework," Bilateral Documents to Be Signed

 $\underline{\ \ }$ (C) PIF contacts said each of the eight countries noted above had already initialed the PRC-drafted "Guiding Framework" on China-Pacific cooperation (described in detail in Ref A). That document will be signed by ministers of commerce or trade on the morning of April 5. A number of bilateral agreements will also be signed during the conference. PNG High Commissioner to Fiji Peter Eafare told us PNG and the PRC would be signing four bilateral agreements on various aspects of economic cooperation. Eafare noted that he had advised Port Moresby against signing the "Guiding Framework" but had been overruled.

Australia, New Zealand Sending Deputy Minister-level Reps

14. (C) Theresa Gambaro, Parliamentary Secretary for Foreign Affairs, will represent Australia at the conference. Luamanuvau Winnie Laban, Associate Minister of Pacific Island Affairs, will represent New Zealand. Andrew Martin, Australia's Deputy High Commissioner to Fiji, told us Australia had originally planned to send a lower level person, but had decided to send Gambaro after urgings from New Zealand to increase the level of representation. Neither Australia nor New Zealand will sign the "Guiding Framework" document.

No Countries That Recognize Taiwan Attending

15. (SBU) According to the PIF, none of the Pacific Island countries that recognize Taiwan will attend the conference (Kiribati, Nauru, Tuvalu, the Solomon Islands, Palau, and the Marshall Islands). Representives from the Marshalls, Nauru and Kiribati had previously told us (Ref A) that they had received clear instructions not to consider accepting invitations to the conference. Nauru's High Commissioner to Fiji reiterated that stance to us March 28.

Taiwan Rep Says Conference Exhibits Expanding PRC Influence

16. (C) Sherman Kuo, Taiwan's Representive in Fiji, told us earlier this month that the PRC hopes to use the conference and the "Guiding Framework" to isolate countries that recognize Taiwan. This, he said, is standard operating procedure for the PRC in the region. But the PRC has a larger goal in sight. The conference, he said, represents the beginning of a significant effort by the PRC to expand

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its economic and political influence in the region. The PRC's spats with Taiwan, he said, are only one aspect of this.

Comment: A Big Splash, But Will There be Follow-Up?

17. (C) Wen's visit is already generating a large amount of press play in Fiji. We expect coverage to increase dramatically in the run-up to the visit. Despite the high-profile, a number of Fiji officials we have talked to have expressed skepticism that the visit, and the documents to be signed in conjunction with it, will have much lasting impact. They point, for example, to the fact that the "Guiding Framework" is non-binding. Ultimately, the impact of Wen's visit will be judged by whether an already-active PRC uses these meetings to further ratchet up its level of activity in the region.

DINGER